

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR SESSION OF THE
FOUNTAIN HILLS TOWN COUNCIL
NOVEMBER 19, 2009**

*** CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Schlum called the meeting to order at 6:32 p.m. in the Fountain Hills Town Hall Council Chambers.

*** INVOCATION – Pastor David Felten, The Fountains, A United Methodist Church**

*** ROLL CALL**

Present for roll call were the following members of the Fountain Hills Town Council: Mayor Schlum, Councilmember Contino, Vice Mayor Hansen, Councilmember Leger, Councilmember Brown, and Councilmember Archambault. Town Manager Rick Davis, Town Attorney Andrew McGuire and Acting Town Clerk Janice Baxter were also present.

*** MAYOR'S REPORT**

(i) A review of upcoming community events.

Mayor Schlum announced upcoming community events and stated that there were many opportunities to get involved in the community.

- Fountain Hills High School Football 3A State Tournament, November 21, 2009
- Prayer Gathering at the Fountain Park Performance Pad, November 21, 2009
- Orme Dam Victory Days, November 20-22, 2009
- Interfaith Thanksgiving Service, November 22, 2009
- Community Thanksgiving Service, November 24, 2009
- Turkey Trot, November 26, 2009
- Thanksgiving Day Parade, November 26, 2009
- Town's 20th Anniversary celebration, December 5, 2009
- Stroll in the Glow, December 5, 2009

Councilmember Dickey announced that she had had the opportunity and honor to represent the Town for the Running and Winning Program, which was associated through her membership with two organizations, the American Association of University Women and the Business and Professional Women. She stated that she had participated in 2006 and 2007 at Coronado High School and this year it was held at Scottsdale Community College. She explained that the Running and Winning Program was a nationally recognized program that educated young women about leadership, public service, and the electoral process. Councilmember Dickey stated that sometimes feedback was received from the attending young women who discovered their own leadership qualities through unselfish public service. She relayed a story heard from an attending exchange student who had spoken about how it was life threatening for a woman to run for office in her country, how her mother was fearful and so she had come here to learn; and that the exchange student had indicated that she wanted to go back to her country and do something like that. Councilmember Dickey commented that lessons were learned everywhere you went through the exchange of information and that it had been very successful.

SCHEDULED PUBLIC APPEARANCES/PRESENTATIONS

(i) Department Division Information Overview of Services Provided – Town Prosecutor Mark Iacovino.

Mr. Iacovino addressed the Council stating that he had been the Town's prosecutor for almost 20 years, which put him in a very small category of those who could say that they had represented their communities for virtually from the very beginning. He expressed his appreciation for the opportunity to speak to the Council stating that it was a terrific opportunity to introduce himself to those who did not know him and to reintroduce himself to those who did. He provided a brief overview of the office, what functions the prosecutor's office provides, and how they did it by referencing the detail contained in the memo that was provided to the Council in the agenda packet. He stated that this was a limited jurisdiction court and was not a felony court, as those types of cases were handled by the County. He gave examples of the types of cases heard in the Fountain Hills' court. He noted that this was one of the few jurisdictions in the County that handled their own juvenile cases. He commented that this was something to be proud of and that it made sense to deal Fountain Hills' kids locally rather than to send them into the County system where they would get lost in the numbers. He felt that because this court had the time, resources, and opportunity to deal with these kids locally that the odds for making a positive change in their lives was much greater.

Mr. Iacovino spoke about their philosophy and commented that Fountain Hills was unique in that they tried to remember who their defendants were. He noted that while this was a misdemeanor court that had their fair share of serious offenders, by in large, the clientele were members of the community (i.e. neighbors, their kids, etc.) who had done or been accused of something that resulted in their being brought before the court. He felt it was important to keep sight of that because once defendants were through the system and cases were resolved, those individuals would continue to be members of the community. With that in mind, defendants were treated with respect and dignity regardless of what they might be accused and cases were looked at individually to the extent possible with the tools available to them as they tried to identify and address what the dysfunction was in that person's life that caused them to engage in behavior that brought them into court. He expressed that the Fountain Hills' individualized approach was very important as they did not view the criminal justice system as a one size fits all system and unfortunately, the Maricopa County prosecutorial agencies had. He expressed that he found that troubling when he is working within that system and he did not want fall in line with that approach.

Mr. Iacovino stated that he had an ethical obligation to see that justice was done and that the goal was not to rack up convictions or generate revenue. The ethical mandate was to see that justice was done and that cases were disposed of in a fair way. He stated the opinion that fairness was for both the defendant and the community. He explained that part of fairness to the community dictated that people convicted of crimes should, to the greatest extent possible, be required to bear the cost of the system that had to deal with their conduct. He noted that it had always been their goal to provide the Town with the highest quality prosecution for the best price. He referred to the economics of the Prosecutor's Office (table in the memo) and stated it laid out what their services cost the Town and what the revenues were with which they were directly involved. Mr. Iacovino emphasized that while revenue was not their focus/goal as it related to fairness to the community, it needed to be kept so as to help defray the costs of operating the system. He stated that he was pleased with what they were able to accomplish over the last twelve months and invited the Council to contact him with any questions and or to come to the Court to see what they did. He felt that he and his associate, Ken Holmes, were very fortunate to work in a court that had been held up as a model municipal court for many years expressed his hope that the distinction continued into the future and concluded his presentation stating he would be happy to answer any questions.

Councilmember Archambault questioned how quickly a first time offender's record would be expunged and Mr. Iacovino responded the expungement process (known as setting aside the judgment) was available in misdemeanor cases and defendants were advised this was something that they would want to do. It was incumbent upon the defendant to request that it occur. He explained it was the Court's policy to wait about a year before entertaining that request with the idea being to ensure the person had satisfied the terms of their sentence in a timely way and they had been able to keep out of trouble. If those two hurdles were passed, the odds were good that Judge Armbruster would grant that request. He noted that although the one year period was used as a rule of thumb the timeframe was not set in stone and could be revisited case by case.

Mayor Schlum asked if this process was alluding to cases with minors; Mr. Iacovino responded it applied to both minors and adults. He explained that kids had the added benefit in the State of Arizona that when they turn 18, because juvenile records were now public records, they could not only request the conviction be set aside but that the record of their case be physically destroyed. He reiterated that minors were advised that they had this process available to them when they turned 18 as well as informing adults of this opportunity.

Mayor Schlum said he had heard concerns about underage consumption and asked if those were cases seen in this court. Mr. Iacovino responded yes. He pointed out that those cases made up a number of the juvenile cases heard, which he took very seriously. He stated that he worked on the assumption that every time a kid was caught consuming alcohol that it represented a much larger number of times that they did not. He expressed the opinion that this was one time when they had the opportunity to really make a difference in their lives and to turn the kids around and to explain what could occur (i.e. the steps with a 1st, 2nd, and 3rd offense). He noted they did not see a lot of repeat offenders. Mr. Iacovino expressed the opinion that (as it related to his experience) 85% of all crimes were alcohol related, which was a huge number of cases; and if they could intervene in a youth's life (17-19 years old) and get that individual to think and exercise better judgment with regard to alcohol use, that would be the biggest contribution they could make to the security of the community.

Mayor Schlum asked if there were different levels of conviction for underage consumption. Mr. Iacovino responded they were classified the same by law (Class 1 Misdemeanor). However, the approach was different depending upon whether the child had previous convictions.

ii) Presentation by Hazel Chandler, Regional Coordinator for the Northeast Maricopa County Arizona Early Childhood Development and Health Board, relating to First Things First Programs in Fountain Hills.

Ms. Chandler addressed the Council relative to this item and discussed the impact that First Things First was having on the community utilizing a PowerPoint presentation. She stated that First Things First grew out of a State Initiative (Proposition #203) passed in 2006 (by 52%), was the 2nd highest amount of money ever raised by a ballot initiative with the strongest bi-partisan support in the history of ballot initiatives. This initiative set aside a dedicated funding source (tobacco tax) for children (birth to six) and was brought forward by people that knew that if the public invested in children at a very young age, that we would not be talking about children in the court system when they became teenagers. Ms. Chandler stated that their mission was to increase the quality of and access to the early childhood development and a health system that ensured a child who was entering school came healthy and ready to succeed. She stressed that health was just as important as early education as they would not be able to function in the classroom and would be unable to learn. Studies showed that investing in early childhood learning reduced crime rates, teenage pregnancy, welfare dependency, job training costs, special education costs, and grade repetition while increasing success in school, graduation rates, workforce readiness, job productivity, and community engagement. She explained that studies had shown this to be the biggest bang for the buck (for every dollar invested in early childhood the return was between 7-17%) with increased productivity or remedial type programs.

Ms. Chandler stated that the Fountain Hills School Superintendent Bill Myhr had reminded her that children entering kindergarten who were not ready (below benchmark) that their chances of getting that child above benchmark by 3rd grade was only 20% (80% never reached benchmark by 3rd grade). She commented that these were the children on whom many dollars were spent to make them successful in school (i.e. special education tutors, etc.). She noted that most brain development occurred by the time they entered school and to turn that around was very difficult and that the number of prison beds was planned by the number of kids below benchmark at 3rd grade.

Ms. Chandler said that the program funding was set up in a way that provided for an ongoing revenue stream for the programs so they were operational over a long period of time. She explained that the Initiative had been very specific allocating only 10% to be used for administrative costs. The State Board had responsibility for 9% and the balance (81%) was under the control of regional councils that operate in the communities. She stated

that the regional council in this area was the Northeast Maricopa Regional Partnership Council, which served Fountain Hills, Carefree, Cave Creek, Paradise Valley, Scottsdale, Rio Verde, and Ft. McDowell Yavapai Nation. She discussed the councils' representation across the state (31 regions made up from business, education, early care and education, philanthropy, parents and community members).

Ms. Chandler discussed the various programs currently operating within the Town: Quality First! – Child Care Quality Improvement Program, Pre-kindergarten (beginning January 2010), Home Visitation Programs, Mental Health Consultants for Child Care Centers, Short Term Crisis Intervention, Emergency Scholarships, Scholarships for Quality First Centers (beginning January 2010), and emergency food boxes. She concluded her presentation stating that they hoped to provide services for the next ten years and that the reduction of inequality among young children, and providing all children with greater opportunities to develop, should be seen as both a moral imperative and a wise social and economic investment.

In response to Mayor Schlum Ms. Chandler responded that the services for this program were provided under the Governor's office.

Councilmember Dickey mentioned that in the old days Head Start had provided for kids at risks and part of the thinking behind this was that they saw the affects that Head Start had on those kids so they thought they could have that affect on everybody. She expressed that this was the result of much time and research and was not something that just started in 2006. She talked about a program she had seen many years ago when a big tough prison warden from Georgia or Louisiana said they could tell about a child by age six and that had amazed her. She indicated that with regard to the funding provided by the tobacco tax, everyone hoped that the funding did diminish and Ms. Chandler interjected that was why it was important they put money aside for the funding of the programs (less funds available). Ms. Chandler concurred with Councilmember Dickey stating that when the survey was done in prisons across the nation they had found that almost without exception the children had experienced traumatic episodes around the age of 2 or 3 and that these kids usually never were successful in school and had struggled all through school or dropped out due to frustration. She pointed out that Arizona was one of the last states to get universal free kindergarten. Those states that had invested in universal free kindergarten showed an 80% success rate in schools. Ms. Chandler reiterated that this was the best investment that could be made in our future and in the future of Arizona. Mayor Schlum thanked Ms. Chandler for her presentation.

CALL TO THE PUBLIC

Acting Town Clerk Janice Baxter advised that there had not been any speaker cards submitted.

CONSENT AGENDA

Mayor Schlum announced that consent item #6 was being removed and placed on the regular agenda for a modest change.

AGENDA ITEM #1 - CONSIDERATION OF APPROVING THE TOWN COUNCIL MEETING MINUTES FROM NOVEMBER 5, 2009.

AGENDA ITEM #2 - CONSIDERATION OF APPOINTING COUNCILMEMBER ARCHAMBAULT, VICE MAYOR HANSEN, AND COUNCILMEMBER DICKEY TO SERVE ON THE TOWN COUNCIL REVIEW SUBCOMMITTEE FOR THE PURPOSE OF REVIEWING APPLICATIONS, INTERVIEWING APPLICANTS AND SUBMITTING A RECOMMENDATION TO THE MAYOR FOR APPOINTMENTS TO THE COMMUNITY CENTER ADVISORY COMMISSION.

AGENDA ITEM #3 - CONSIDERATION OF APPOINTING COUNCILMEMBER BROWN, COUNCILMEMBER CONTINO, AND VICE MAYOR HANSEN TO SERVE ON THE TOWN COUNCIL REVIEW SUBCOMMITTEE FOR THE PURPOSE OF REVIEWING APPLICATIONS.

INTERVIEWING APPLICANTS AND SUBMITTING A RECOMMENDATION TO THE MAYOR FOR APPOINTMENTS TO THE SENIOR SERVICES ADVISORY COMMISSION.

AGENDA ITEM - #4 - CONSIDERATION OF APPOINTING COUNCILMEMBER ARCHAMBAULT, COUNCILMEMBER LEGER, AND COUNCILMEMBER CONTINO TO SERVE ON THE TOWN COUNCIL REVIEW SUBCOMMITTEE FOR THE PURPOSE OF REVIEWING APPLICATIONS, INTERVIEWING APPLICANTS AND SUBMITTING A RECOMMENDATION TO THE MAYOR FOR APPOINTMENTS TO THE PUBLIC SAFETY ADVISORY COMMISSION.

AGENDA ITEM #5 - CONSIDERATION OF APPOINTING COUNCILMEMBER BROWN, COUNCILMEMBER DICKEY, AND COUNCILMEMBER LEGER TO SERVE ON THE TOWN COUNCIL REVIEW SUBCOMMITTEE FOR THE PURPOSE OF REVIEWING APPLICATIONS, INTERVIEWING APPLICANTS AND SUBMITTING A RECOMMENDATION TO THE MAYOR FOR APPOINTMENTS TO THE PARKS AND RECREATION COMMISSION.

AGENDA ITEM #6 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY LEN S. ZAW (AMERICAN LEGION POST 58) FOR THE PURPOSE OF A PONY EXPRESS FUND RAISER, LOCATED AT 13001 N. LA MONTANA, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON FRIDAY, JANUARY 29, 2010, FROM 9:00 P.M. TO 11:59 P.M.

AGENDA ITEM #7 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY JEROLD LANE MILES (FOUNTAIN HILLS & LOWER VERDE VALLEY MUSEUM & HISTORICAL SOCIETY) FOR THE PURPOSE OF A HISTORICAL SOCIETY DINNER MEETING, LOCATED AT 13001 N. LA MONTANA, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON JANUARY 20, 2010, FROM 6:00 P.M. TO 10:00 P.M.

AGENDA ITEM #8 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY JEROLD LANE MILES (FOUNTAIN HILLS & LOWER VERDE VALLEY MUSEUM & HISTORICAL SOCIETY) FOR THE PURPOSE OF THE ANNUAL HALL OF FAME INDUCTION DINNER, LOCATED AT 13001 N. LA MONTANA, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON MARCH 24, 2010, FROM 6:00 P.M. TO 10:00 P.M.

AGENDA ITEM #9 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY JEROLD LANE MILES (FOUNTAIN HILLS & LOWER VERDE VALLEY MUSEUM & HISTORICAL SOCIETY) FOR THE PURPOSE OF A HISTORICAL SOCIETY DINNER MEETING, LOCATED AT 13001 N. LA MONTANA, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON MAY 19, 2010, FROM 6:00 P.M. TO 10:00 P.M.

Councilmember Dickey **MOVED** to approve the Consent Agenda as listed without item #6 and Councilmember Archambault **SECONDED** the motion. A roll call vote was taken with the following results:

Councilmember Dickey	Aye
Mayor Schlum	Aye
Councilmember Leger	Aye
Vice Mayor Hansen	Aye
Councilmember Contino	Aye
Councilmember Brown	Aye
Councilmember Archambault	Aye

The motion **CARRIED UNANIMOUSLY** (7-0).

REGULAR AGENDA

AGENDA ITEM #6 - CONSIDERATION OF A SPECIAL EVENT LIQUOR LICENSE APPLICATION SUBMITTED BY LEN S. ZAW (AMERICAN LEGION POST 58) FOR THE PURPOSE OF A PONY EXPRESS FUND RAISER, LOCATED AT 13001 N. LA MONTANA, FOUNTAIN HILLS, AZ, SCHEDULED TO BE HELD ON FRIDAY, JANUARY 29, 2010, FROM 9:00 P.M. TO 11:59 P.M.

Mayor Schlum indicated that the applicant had erred on the address; Vice Mayor Hansen had been working with the applicant on the correction, and he thanked her for assistance.

Vice Mayor Hansen indicated that this was just a housekeeping measure and that this item was taken off the consent agenda so that the record could show that the application was being revised as to the address (16837 E. Parkview) because this would be different than the item that had been posted on the website.

Vice Mayor Hansen **MOVED** to approve the application as amended and Councilmember Archambault **SECONDED** motion.

No one from the public wished to speak. The motion **CARRIED** unanimously (7-0).

AGENDA ITEM #10 - REPORT ON AN AMENDMENT TO THE ANNUAL LANDSCAPING CONTRACT WITH MARIPOSA LANDSCAPE ARIZONA, INC. IN THE AMOUNT OF \$104,608, PURSUANT TO THE FOUNTAIN HILLS TOWN CODE, CHAPTER 3, SECTION 3-3-4, EMERGENCY PURCHASES; PROCEDURE.

Public Work Director Tom Ward addressed the Council relative to this item stating that on August 21, 2009, Nichols and Sons Landscaping, Inc. had ceased to perform services under their existing contract with the Town and on September 8, 2009, staff was notified that the contract was no longer in force and that the contractor had filed for bankruptcy. Mr. Ward said that during the interim period staff had support from the Street Department, Facilities, and Parks and Recreation staff to provide as many hours as possible away from their everyday tasks. As a measure to maintain the community's beauty, staff had requested emergency services under the Town Code Chapter, Section 3-3-4, Emergency Services Procurement.

Mr. Ward stated that as per the Town Code, he and the Town Manager had met with the Mayor and the Mayor had authorized staff to move forward with the purchasing of these services. Since that time, staff had met with various contractors to obtain proposals for these services, which had included local and valley wide contractors as well as the vendor currently used by the Town's Parks and Recreation Department. He discussed that some valley contractors had directly contacted the Town and some of the contractors were contacted by staff, which included: Sage Landscaping (was one that staff had used 15 – 20 years ago and who had previously maintained the Town's medians); Southwest Landscape Groundskeepers (had bid on many projects and had yet to be awarded a contract and staff had been very interested in them); Kay Contracting (did the wash clean-up last year although this year the Town was not in that business); and noted that the Town had received other miscellaneous phone calls. Local contractor contacts had included: Rambo and Sons (they were open to talking about the scope of work); Lan-Con Inc.; Town and Country Landscape; and Greg's Dump Truck Service.

Mr. Ward continued with his report stating that after additional discussion with Mariposa Landscaping regarding the necessary services, it was determined that this vendor would be the best selection and that a requisition should be written that would cover the period of time through the end of the fiscal year (June 30, 2010). He indicated that during this period staff would research the particulars of in-house vs. outsourcing for fiscal year 2010/11. He pointed out that the existing budget for fiscal year 2009/10 would be below the originally budgeted amount. He discussed what made up the \$104,608 (3 man crew with 1304 maintenance crew hours and a 2 man irrigation crew with 248 crew hours) and that this was a stop gap measure that staff felt would help them get through until the request for proposal was drafted (in January or February). He indicated that staff hoped to work with the Parks and Recreation Department and the Fountain Hills Unified School District to come up with a better contract for the future with a combined scope of work. Mr. Ward discussed the line of site concerns along the medians due to tree and shrub growth and that with the accumulated trash and other calls received that staff just could not keep up with it. He noted that the goal was to minimize the Town's liability and move forward with this maintenance agreement. He stated he would be happy to answer questions.

Mayor Schlum pointed out that this was just a report to the Council and that no Council approval was required.

In response to questions from Councilmember Archambault Mr. Ward explained that most of the line of site issues were from the ground shrub growth that were blossoming out due to the fact that three months had passed without any maintenance (that was the heavy growing period). Therefore, staff was seeing things at intersections that normally would be maintained. He mentioned that hanging branches were also something that were maintained with cooperation from the Street Department to ensure stop signs and street signs were not blocked at intersections. Mr. Ward confirmed that staff just could not keep up with the maintenance (58 acres of medians) and it was more than could be handled even with the support received from the other staff. Local contractors had expressed that they would like called when the request for proposal was available as they would like to be involved in the process. He pointed that this was not a task for someone with a pick and a shovel but required a variety of equipment. When the local contractors were advised of the scope of work, some local contractors indicated they could not purchase the necessary equipment and would not be able to meet the scope of work. However, Mariposa Landscaping had been very comfortable with what was required. Mr. Ward concurred that staff was always looking for cost savings and that to date they had spent \$19,000 (Nichols and Sons). He said this would also be an opportunity to evaluate the level of service (the number of days could be reduced from 5 days a week). Mr. Ward acknowledged that staff would be taking a hard look at this and that perhaps the outcome would be that the Town would not be so manicured but display a more of a native setting in certain areas yet taking into account line-of-site concerns. This action provided staff with breathing room, time to evaluate, and prepare the scope of work. Councilmember Archambault estimated the savings to be approximately \$35,000 and perhaps more if the entire \$104,000 was not spent and Mr. Ward agreed.

Councilmember Archambault stated that information helped as he had been trying to understand and clarify where the \$155,000 had come that was mentioned in the paper and if Councilmember Contino had been misquoted. Councilmember Archambault referred to the newspaper article and Councilmember Contino had indicated that he had counted 60 outside contractors. Councilmember Archambault asked staff if they could explain as he was trying to figure out where that number came from. Mr. Ward responded that there were roughly, if they looked in the phone book for those companies that were in the business of landscaping, about 12 -15 and there were also a lot of landscape designers. He explained that staff had gone through the phone book as well as the Town's records of who had previously bid (some were out of business). He pointed out there were people all over the valley and their qualifications needed to be reviewed as well and it needed to be determined if they had the proper equipment. Councilmember Archambault pointed out that the Town was trying to get the best bang for their bucks since we were expending public funds and wanted the best service value.

Mayor Schlum said that with most things in the budget, they understood that the economy was affecting the Town to a greater degree moving forward each year. He noted that staff tried to budget the right amount to maintain the Town the way the citizens wanted to see it but as times go on we tend to crank those levels down as far as the dollar spent. He spoke about the how the Town Manager has talked about innovations, incorporating the Adopt a Street Program, and partnering with the School District. He said he expected that there would be savings but that there would be a need to save more. The Mayor acknowledged that agreements such as this one had a cause for cancel if the need arose and that staff would work with the vendor to ensure that we stayed within the budget. He knew there were ways to save monies and that this had been the worst case contract (Nichols and Sons). He commented that he understood the saving aspects but asked if the Town had contracted with Mariposa in the past and if they were a proven vendor. Mr. Ward responded yes, they had an existing contract with the Town's Parks and Recreation Department for the grass cutting and in the past they had done other things as well. Staff was very familiar with them and had complete confidence in their abilities. The Mayor said that had made him feel more comfortable with the interim step but noted that they would have to drill down as they went through this budget year and perhaps cut the contract short if needed or put other measures into play if necessary or slim down the contract work as mentioned (number of days serviced) to meet the budget requirements.

Acting Town Clerk Janice Baxter responded that no one from the public wished to comment when the Mayor asked if there were speaker cards submitted on this topic.

Councilmember Archambault commended staff for constantly looking out for the Town as he knew these were challenging times and it often took heroic efforts to get things accomplished. He commented on the Town's press release regarding the seven eliminated positions and stated that those were tough decisions that had to be made. He said they had been proactive and those positions were not impacting the services that the citizens expected. He said he was looking forward to seeing in the near future the comprehensive review of the organization from the top down, which would reflect the new normal that they were beginning to realize and that the challenging drop in revenue structures would be addressed. He requested a time frame when they would be looking at that proactive approach and he expressed he wanted to deal with it before it became a serious issue.

Mr. Davis commented that as they review the organizational structure of staff, there was not really such a thing as eliminating a position without some impact to the level of service. However, staff looked forward to working with the Council on the budgetary process reviewing the organization as mentioned. He discussed that staff and the Council were clear in their understanding that this was going to a comprehensive teamwork approach to ensure that we were ready to face the next decade. He discussed that this was not going to be a unilateral decision but a community decision and that he was looking forward to that process.

Councilmember Dickey agreed that it was a team effort, not only with the staff (the people that were in the best position to tell the Council where we could save), but on the part of this Council by providing a unifying force to get ourselves and community through this as best they could. Councilmember Dickey provided a brief update on State Legislation stating that an example of not being unified had happened today as they could not pass the budget bills that they had intended to do so now they would be going back on Monday morning. She said there had been four identical budget bills in the House and in the Senate so that they could switch them through but they did not have enough votes for that. She mentioned that the effects on the cities were not as entwined as what was going on right now noting there were some vehicle licensing tax (VLT) items moving but that she thought it had to do with people who paid for multiple year vehicle registrations at once.

Councilmember Archambault asked if the new contract, due to the economy, would include a process whereby staff would be weighing the financial viability of the different bidding firms before recommending one to the Council (one of the weighted factors). Town Attorney McGuire interjected that in other communities that he represented had modified all form documents, particular with ones like this with hard bid items, to include a component of the evaluation as being financial fitness because it was becoming more of a challenge to ensure that you would get through the full contract year without a replacement. He acknowledged that it was a touchy subject but that it was also one that saved municipalities a considerable amount of money if they did it on the front end. Councilmember Archambault thanked Mr. McGuire for being proactive and Mr. Ward for the presentation. Mayor Schlum commented that the difficult economy had probably played a big role and that Nichols and Sons had served the Town for a number of years probably quite well and he wished them and their employees the best.

AGENDA ITEM #11 – COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER

Items listed below are related only to the propriety of (i) placing such items on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council.

A. *NONE*

AGENDA ITEM #12 – SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE TOWN MANAGER.

Councilmember Archambault stated that Mr. Davis would bring back an organizational restructure for the Council's review. Mr. Davis said that would take place as part of the budget discussions and he reiterated that he looked forward to going through that process with the Council. Mayor Schlum noted that the next year's

executive committee budget discussions had begun a month after the Council adopted this year's current budget and said that the Council would continue those discussions together.

Mr. Davis commented that every budget deficit was curable and fillable as long as they did not mind losing the organization; therefore, one of the things that staff focused on was maintaining the organization's viability and ability to continue providing services at a very high level even when this particular season (economic) was over. He expressed the opinion that we would emerge out of this because we were a very resilient nation and community. Mr. Davis spoke of the importance of keeping the eye on sustainability and the community as an organization. He cautioned that care must be taken as to how these things were done and to keep remembering as a team that as we moved forward we wanted to keep the organization intact but that we also want to right size and restructure it for the new decade ahead.

Mayor Schlum stated that he knew from this latest reduction of force, elimination of positions, and the closing out of open position last year as well, that the process was equally as important and that it was important to go through it with respect when dealing with personnel, which was also important. He said that staff had done a great job in that aspect (in crossing all the i's and t's) as there was certainly a process that needed to be adhered too. He said the Town was fortunate to have good staff to help them through this and acknowledged that they unfortunately were now living through a new time and that was going to be necessary as they moved forward. The Mayor continued saying that it was not a great day at Town Hall today and that they would miss the staff as their positions were eliminated. He wished them the best as well. He noted that the process was one that they could be proud of (being open and honest with the community and the staff). He said that staff understood the budget challenges that faced the Council and leadership of Town staff would have over the next couple of years. Mayor Schlum reiterated that the process was very important and that it needed to be done in an appropriate manner. He thanked staff for their hard work.

AGENDA ITEM #9 - ADJOURNMENT

Councilmember Archambault **MOVED** to adjourn the meeting and Councilmember Dickey **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0). The meeting adjourned at 7:40 p.m.

TOWN OF FOUNTAIN HILLS

By _____
Jay T. Schlum, Mayor

ATTEST AND
PREPARED BY:

Bevelyn J. Bender, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held in the Council Chambers at Town Hall by the Town Council of Fountain Hills on the 19th day of November 2009. I further certify that the meeting was duly called and that a quorum was present.

DATED this 3rd day of December 2009.

Bevelyn J. Bender, Town Clerk